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UNCLAS SECTION 01 OF 09 COLOMBO 001045

SIPDIS

DEPT FOR CA/FPP; DEPT ALSO PASS TO KCC; DHS FOR CIS/FDNS; ADDRESSEE
POSTS FOR FRAUD PREVENTION MANAGERS; BANGKOK FOR RCO WILL LAIDLAW

E.O. 12958: N/A

TAGS: [KFRD](#) [CVIS](#) [CPAS](#) [CMGT](#) [ASEC](#) [CE](#)

SUBJECT: FRAUD SUMMARY - SRI LANKA

1A. Country Conditions

11. Political insecurity and socioeconomic conditions put pressure on Sri Lankans of all ages and societal classes to migrate legally and illegally to the United States. In May 2009, the Sri Lankan government announced victory over the Liberation Tigers of Tamil Eelam (LTTE), an armed insurgent group, after more than 25 years of civil conflict. Despite the conclusion of formal hostilities, the lengthy conflict has left lingering instability. Severe lags in socioeconomic development persist, particularly in the north and east of the country. Throughout the country, economic conditions are relatively poor, with high inflation and weak government spending on social services. Large numbers of Sri Lankans traditionally migrate for employment to the Middle East, Europe, East Asia, and North America, through both legal and illegal means. Early indications are that the global economic slowdown has significantly impacted Sri Lankans working both domestically and abroad.

12. The consular section sees medium to high levels of fraud from all three major ethnic groups in Sri Lanka: Sinhalese, Tamil and Muslim. Many Muslims speak the Tamil language but do not identify with ethnic Tamils and are considered a separate ethnic group. Despite the country's relatively small population and lack of direct flights to the U.S., Sri Lankans represent the fourth most frequently offloaded nationality on U.S.-bound flights, according to 2008 U.S. Customs and Border Protection (CBP) statistics.

¶3. The largest Sri Lankan diaspora community is in Toronto, Canada, where over 250,000 people of Sri Lankan origin (primarily ethnic Tamils) live. Severe restrictions imposed by the Canadian government on Sri Lankan visitor travel have resulted in many mala fide travelers applying at Embassy Colombo hoping to reach Canada over the land border. Within the U.S., preferred destinations for both legal and illegal immigrants are New York and California. Human smugglers charge as much as \$40,000 a person for passage from Sri Lanka to North America.

¶B. Non-Immigrant Visa Fraud

NIV FRAUD - GENERAL TRENDS

¶4. During the reporting period from March 1 to August 31, 2009, officers referred 335 NIV cases to the Fraud Prevention Unit (FPU). Of those, fraud was confirmed in 42 cases (12.5%) and 39 are still pending further investigation. During the same period in 2008, 240 cases were referred to FPU, with fraud confirmed in 13 cases (5.4%).

¶5. Sri Lankan mala fide travelers with an ultimate destination in North America typically have family or friends waiting with a job and housing. A significant number of human smugglers and visa fraud facilitators operate in Sri Lanka, charging as much as \$10,000 for false documentation to submit with a U.S. visa application, and up to \$25,000 for a "full service" of documents plus other

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facilitation, such as by posing as family members or business associates. Post has seen false family relationships; fictitious marriages and divorces; false financial, employment and academic documentation; ringers posing as members of sports and entertainment groups; and false religious workers. Post recently discovered that a youth kung fu team traveling to a competition in Florida was apparently a cover story for the president of the sporting association to deliver the children to waiting relatives already illegally in the United States.

¶6. Sri Lankans use a variety of techniques to fraudulently obtain visas. Small-time document vendors provide fake vital records and business documents that are relatively easy to spot, while sophisticated human smugglers provide convincing identity and financial documents that are difficult to detect. In several recent cases, Sri Lankans have purchased backdated entry stamps at the airport to hide overstays in the U.S. and elsewhere.

¶7. Post continues to see problems with seemingly non-qualified host government officials and domestics applying for A and G visas. Employers of Sri Lankan domestics, who include Middle Eastern, African, and other Sri Lankan diplomats, typically provide only weak or questionable evidence that domestics will be paid in accordance with U.S. law. In some cases, diplomats have tried a number of tactics, ranging from claiming their domestics are actually government employees eligible for A2 status, to claiming that they are paid in cash, presumably to avoid paying U.S. minimum or prevailing wages. A number of Sri Lankans, in the U.S. both illegally and legally, regularly adjust onto A visas by obtaining low-level jobs at foreign embassies. Indications are that some of these embassy jobs do not exist, and Post suspects active facilitation on the part of certain missions, particularly African and other Asian missions, as well as the Sri Lankan missions in Washington, D.C.; Los Angeles; and New York City.

NIV FRAUD - H AND L VISAS

¶8. H&L fraud continues to be a concern for Colombo. During FY 2008, Post issued 172 H1B visas with a refusal rate of 8.5%. In FY 2009, Post issued 190 H1B visas with a refusal rate of 32.4%. This represents cases in "221g" status for both further scrutiny and recommendations for revocations sent to DHS. Though the number of visas issued has risen only slightly, Post has seen a sharp increase in the number of mala fide applicants and employers in the H category in particular. Sri Lankans are increasingly becoming party

to the sophisticated IT-related schemes of their Indian neighbors that target the H and L visa categories. In addition, Post's field verification efforts have identified a growing number of Sri Lankans attempting to target the H1B category by posing as skilled Montessori teachers. Because nearly every daycare and preschool in Sri Lanka calls itself as a "Montessori" school, false or inflated work experience documents are readily available. Post's field verification visits have been particularly useful in uncovering this type of fraud.

NIV FRAUD - STUDENT VISAS

¶9. Post has seen a new trend of mala fide travelers increasingly targeting the F and J visa categories. During the first three

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quarters of 2009, the refusal rate for F1 student visas grew to over 58%, as compared to 39% for the same period a year ago and 24% in ¶2007. Although the total number of F1 student visa applications rose by 46% from 2007 to 2008, the number of F1 applications approved rose by only 11%. This suggests that the majority of new interest in student visas is coming from unqualified applicants. Post's assessment is that many of these students have mala fide immigrant intent, and we are in the final stages of conducting a validation study of student visas.

¶10. Schools with relatively low admissions standards, including community colleges and language schools, are preferred targets of unqualified and mala fide Sri Lankan applicants. The initial results of a nearly completed validation study show the rate of SEVIS non-compliance to be high for students issued visas for two-year associate degree and standalone language programs. Perhaps in response to Post's increased scrutiny of such applicants, an increasing number of students are applying to four-year colleges and then transferring upon arrival to language schools, training centers, or community colleges where less rigorously enforced academic standards and attendance enable students to remain in legal status while working full time. Post regularly interviews returning students who are clearly not enrolled full-time (based on their transcripts), but schools nonetheless report them as being SEVIS-compliant.

¶11. Otherwise-qualified Sri Lankan students also target schools with generous work-study options. Post recently learned that one reputable Texas university long favored by Sri Lankan applicants offers students the opportunity to earn academic credits while working 40 hours a week over multiple semesters, with no requirement that they attend any classes and very limited contact with academic faculty.

¶12. Other Western missions in Colombo have shared similar concerns regarding visa applications to their countries from Sri Lankan students. In September 2008, Australia upgraded Sri Lanka to its strictest category for prospective students, highlighting Sri Lanka as one of the worst violators of its student visa program. In order to qualify under the new conditions, prospective Sri Lankan undergraduate students must show that they have had three full years of tuition and living expenses on hand in an earmarked savings account for at least six months before they can qualify for a visa. Proceeds from land sales are a frequent source of funds students use to cover tuition expenses, however, the Australian mission tells us that about 90 percent of such sales have been found false. We are now finding that some applicants tell us during the interview that they chose a U.S. school because they could not qualify for one in Australia.

NIV FRAUD - OTHER VISA CATEGORIES

¶13. Post has also seen mala fide applicants increasingly targeting the J1 visas, often with the involvement of local agents. In one case, an Israeli national B1/B2 visa holder with a business card listing his U.S. residential address came to the Embassy to complain after Post refused a large group of prospective Sri Lankan J1 hospitality industry workers he and a local agent were attempting to assist. Most of these J1 applicants, who earned an average of

\$50/month in hotels and restaurants in Sri Lanka, had borrowed thousands of dollars to pay for flights and the \$1,000 agent fee, in return for the promise of menial hospitality industry work in the U.S. paying generous tips.

¶14. Post is currently conducting a validation study of U.S. Government-sponsored exchange visitors and others who received A and B referrals over the past year.

 ¶C. Immigrant Visa Fraud

¶15. Colombo's IV fraud mostly involves false marriages and family relationships. While marriages based on love affairs are increasing, arranged marriages are still the norm in Sri Lanka, especially in more rural areas. Even with field visits, verifying the validity of relationships is difficult. With re-marriages, Post regularly finds that the divorce decree from the previous marriage is fraudulent; in some cases, field visits have revealed "divorced" couples living together in Sri Lanka despite one partner having supposedly re-married an American citizen waiting in the U.S. Although Post returns problematic petitions to USCIS, the lack of consequences for American citizens and LPRs filing fraudulent immigration petitions complicates our work.

 ¶D. Diversity Visa Fraud

¶16. The Diversity Visa (DV) Lottery remains a popular route for Sri Lankans to migrate to the United States, with over 250 winners in FY2010. As Sri Lankans have discovered the DV Lottery, they are also learning the rules and increasingly applying well-honed NIV fraud techniques on behalf of DV winners, often through certificates with falsified education examination results. To counter this, Post obtains examination results directly from the Sri Lankan Department of Examinations. This approach detected four fraud cases in the DV 2009 program, two of which were submitted in Colombo and two elsewhere. Because a significant number of Sri Lankan DV winners are resident outside of the country, Colombo encourages other posts to contact us to assist with verification of documents related to Sri Lankan DV winners. In FY2009, collaboration between Colombo and posts in Australia and the Middle East led to the refusal of two Sri Lankans with falsified examination results. Post suspects that additional Sri Lankan DV winners have taken advantage of the fact that U.S. Embassies and Consulates elsewhere are unfamiliar with Sri Lankan educational certificates.

 ¶E. ACS and U.S. Passport Fraud

¶17. Although Post sees little fraud in passport and citizenship applications, Canadian and British Airport Liaison Officers, who assist Sri Lankan authorities in identifying mala-fide travelers at the airport, occasionally ask for assistance in verifying suspect U.S. passport and/or U.S. identity documents. During 2009, Post had one case of suspected fraud by a U.S. citizen of Sri Lankan origin

who attempted to obtain a Consular Report of Birth Abroad for a child who she claimed to have left in the care of relatives in the war-torn north of Sri Lanka for the past five years. After Post sought additional documentation, the woman abandoned the case.

 ¶F. Adoption Fraud

¶18. The Immigrant Visa Unit issued two adoption visas during fiscal year 2007 and 2008 and five in FY 2009. The Sri Lankan government does not favor foreign adoptions; adoptions are governed by the

Department of Child Care and Probation Service. Foreign prospective adoptive parents are not allowed to locate children for adoption themselves, and adoption by single persons is not permitted. To date Post has not uncovered any fraud in our adoption visa processing. However, an LPR couple recently came to the Embassy presenting a child as their natural born child. After checking, Post confirmed that the child was actually adopted. The LPR couple had apparently obtained a genuine birth certificate for the child through fraudulent means. Sri Lankan authorities are currently investigating the case.

G. Use of DNA Testing

¶19. In cases in which Post cannot sufficiently establish a bona fide relationship due to a lack of evidence (mostly IV and asylum cases), applicants are given the option of taking a DNA test. The process takes about three weeks and costs approximately \$1,000. Post recently encountered its first negative DNA test for 2009, an asylee follow-to-join child; however, upon further examination of the case and consultation with CA, the child was still eligible for the immigration benefit as a stepchild. On occasion applicants decline DNA testing and abandon their applications, suggesting that testing acts as a deterrent in applications involving false relationships.

H. Asylum and Other DHS Benefit Fraud

¶20. Post would welcome the opportunity to work more closely with DHS in looking at ways to make the processing and assessment of asylum claims more robust. There is a disturbingly high level of fraud in Sri Lankan Visas 92 cases. In most asylum follow-to-join (FTJ) cases, establishing relationships to the petitioner is difficult. Asylum FTJ beneficiaries are typically coached to provide as little information as possible, sometimes making it difficult to determine whether the beneficiary even knows the petitioner, much less is their spouse or child. Post attempts to verify all birth and marriage documents, but occasionally applicants have no identity documents available. In addition to the usual problems associated with arranged marriages, we often see applicants who present fraudulent identity documents but have positive DNA test results, leaving us to deal with a genuine biological relationship but no idea what anyone's true identity is.

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¶21. Of greatest concern is that the overwhelming majority of successful asylum claims made by Sri Lankan petitioners appear to be based on bogus persecution stories. Although Post believes there is persecution in Sri Lanka which is significant enough for favorable asylum findings, in our experience the majority of individuals who are experiencing true persecution within Sri Lanka simply do not have the means to leave the country in the first place. In many cases, local government administrative structures prevent persecuted minorities from obtaining valid international travel documents; the alternative of using a human smuggler or document vendor is incredibly expensive by Sri Lankan standards. A Sri Lankan who is able to make it to the U.S. or elsewhere to file an asylum claim typically has significant financial and social resources that are simply not consistent with their asylum claim. For example, a large number of successful Sri Lankan gem merchants with extensive U.S. and European travel to participate in international gem exhibitions recently attempted to claim asylum in Canada. In another case, a well-off employee of Sri Lankan Airlines admitted to us that he sent his wife and children to the U.S. to make an asylum claim so that they would have a better standard of living; he continues to work here, making regular trips back and forth for the children's birthdays (although his tourist visa was cancelled following this admission).

¶22. Other gross misstatements range from petitioners claiming to be members of a persecuted ethnic minority when they are not of that ethnicity, to stories of harassment that contradict known facts.

Unfortunately, the stories of prospective asylum claimants seem to be taken at face value when asylum claims are adjudicated in the United States. Contributing to our doubts about many claims is the fact that successful asylum claimants often later return to Sri Lanka to wed other Sri Lankans or for regular tourist visits, casting serious doubt on any "credible fear" claim. We also often see asylee claimants who have spent many months living in otherwise-safe second countries such as Canada, East Asia or the Middle East before deciding to make their claim in the U.S., where they felt economic opportunities would be greatest.

I. Alien Smuggling, Trafficking, Organized Crime, Terrorist Travel

¶23. The trend of increased numbers of Sri Lankans and other third-country nationals, such as Indians and Chinese, using fraudulent or altered documents for travel to Europe and North America continues. Sri Lankan nationals mostly target travel documents of countries like Malaysia, Singapore, U.K., Germany and Caribbean countries. The number of Sri Lankan deportees from Malaysia, Japan, Singapore and the UAE has increased significantly, and irregular Malaysian travel documents have become the preferred documents of mala fide Sri Lankan passengers, while their hub port has shifted from Bangkok to Kuala Lumpur. Human smugglers charge as much as \$40,000 a person for passage from Sri Lanka to North America.

J. DS Criminal Fraud Investigations

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¶24. Post does not have an ARSO-I. However, consular officers often consult the RSO FSN Investigator during the course of routine investigations on visa cases, a partnership which has proven fruitful in dealing with Sri Lankan law enforcement authorities.

K. Host Country Passport, Identity Documents, and Civil Registry

¶25. Fraudulent civil documentation is common in Sri Lanka and can be easily acquired, including falsified passports, identity documents, court records, and entry/exit stamps. Civil registry functions are relatively inefficient due to a lack of automation; all documents are kept on file in countless stacks of paper that must be hand-checked and are often missing or incomplete. Because document fraud is rampant, document verification is a routine part of IV, DV and asylee follow-to-join petition processing. A staff member must physically go to the Registrar's office to check documents, making the verification time consuming. Other Western missions in Sri Lanka require petitioners in suspect cases to pay a \$500-\$1,000 "verification fee," then contract with local agents to conduct the legwork.

L. Cooperation with Host Government Authorities

¶26. Post enjoys a high level of cooperation with many Sri Lankan government agencies. Post receives positive assistance on matters ranging from simple document verification to complex cooperation on fraud cases over long periods. Good relationships are maintained through regular outreach and meetings with key officials. Additionally, Post's full-time FSN fraud investigator's excellent range of contacts has proven invaluable in advancing our fraud management goals. Cooperation with local law enforcement has proved essential in maintaining Post's successful zero-tolerance policy towards false and fraudulent documentation. Nearly all applicants turned over to Sri Lankan authorities are charged and prosecuted under Sri Lankan law. Post regularly works together with the Criminal Investigation Department (CID) and its Anti-Human Smuggling Investigation Bureau, as well as the Colombo Fraud Investigation Bureau (CFIB). Furthermore, Post cooperates with the Immigration &

Emigration Department, State Intelligence Service, the Registrar General's Department, and the Attorney General's Department.

¶27. Post has implemented an arrest program in cooperation with local immigration authorities and police. When Post encounters forged documents in the course of an NIV interview, we contact the Criminal Investigation Department (CID) or the Colombo Fraud Investigations Department (CFIB) of the Sri Lanka Police, and applicants are taken into custody, often on the same day as the visa interview. Most are convicted of felony crimes under Sri Lankan law. This policy, and the arrests it generates, has proven effective in combating prospective fraudsters. The program was introduced in late 2002, and the number of arrests peaked with 84 in ¶2004. Ten were arrested in 2008, and 13 have been arrested thus far in 2009. Other Western missions without similar programs report that they see a much higher level of document fraud, demonstrating that this program is a clear deterrent.

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¶28. Though Post sees fraud in its IV/DV cases, it typically does not rise to the level of an arrestable offense under Sri Lankan law. Instead, these cases are simply sent back for revocation. However, in early 2009, a Diversity Visa applicant was arrested with fraudulent documents, Post's first DV arrest in over five years.

¶29. If an applicant submits a forged document as part of their application, they are charged with tendering or forging a fraudulent document under the Sri Lankan Penal Code. The maximum sentence varies by type of fraud committed, but the penalties are all potentially severe. However, recent amendments to Sri Lankan law have relaxed bail provisions. Most offenders can now post bail immediately after appearing before the court, whereas in the past offenders were required to spend from a few weeks to several months in remand prison before being allowed to post bail. Local law enforcement authorities tell us that passport and visa fraud have increased as result, and they expect such trends to further escalate.

¶M. Areas of Particular Concern

¶30. Post enjoys positive and consistent collaboration with other Embassies, particularly the Canadian and British High Commissions. Canada has the largest Sri Lankan diaspora in world, and our close cooperation with the Canadian and British Airline Liaison Officers (ALOs) has proven effective in spotting trends and mala-fide applicants. Further, our three missions continue to co-host airline and airport staff training seminars on our countries' proper travel documents, their basic security features, and applicable visa categories.

¶31. From our close collaboration with the Canadian and British ALOs, Post is aware of major security concerns at Sri Lanka's single international airport, Bandaranaiyke International Airport, located near the capital, Colombo. The ALOs tell us that, despite extensive and repeated training, check-in staff and immigration authorities regularly accept obvious forgeries and fraudulent documents. Many airline staff at document checkpoints are temporary workers who have little incentive to good a job or be loyal to the airline. Practically no screening is conducted of travelers with non-Sri Lankan passports; instead, airline staff assume that a final decision will be taken by other airline staff in the hub city once the passengers reach their transit point. Passengers who have checked in and gone through immigration regularly disappear once they see that an ALO is on duty at their gate; somehow, they are secreted out through three layers of airport security. Often these passengers return to make successful attempts a few days later when no ALO is on duty. Although the airport has multiple closed circuit television (CCTV) systems, the CCTV systems are often turned off or critical segments unavailable (erased) when requested. A lack of separation between arriving and departing passengers makes boarding card and identity document swaps simple. The ALOs report that Sri Lanka's poor airport controls are well known throughout the region; in addition to Sri Lankans, other nationalities such as Burmese,

Chinese, Indians, Iranians, Pakistanis, Somalis, and Russians are increasingly taking advantage of the airport's weaknesses.

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¶32. Post has discovered evidence that relatively large numbers of Sri Lankans are entering the United States without inspection across the U.S.-Mexico border. This information has come to light from both IDENT hits showing arrests at the border and from information provided by the Canadian High Commission in Colombo about Sri Lankans making asylum claims at the U.S.-Canada border. One NIV applicant whose IDENT results showed he had been apprehended in Brownsville, Texas, told us that connections between Sri Lankan smugglers and Mexican coyotes are well established. In June 2008, the Canadian High Commission provided a list of more than 100 Sri Lankans who claimed asylum at the U.S.-Canada border who had no records in CCD, and we strongly suspect that all of them entered the U.S. without inspection from Mexico. Post expects this trend to accelerate as several South American countries have dropped visa requirements for Sri Lankans in recent years, making it even easier to reach Latin America and enter the smuggling pipeline.

¶N. Staffing and Training

¶33. Colombo's Fraud Prevention Unit (FPU) consists of one part-time officer Fraud Prevention Manager (FPM), and one full-time Fraud Prevention Foreign Service National (FSN) investigator. During FY2010, Post will hire a new H&L anti-fraud clerk. All three American officers have completed PC-541, Fraud Prevention for Consular Managers.

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